

OK, Jerry Hairston will be with us when we come back.

[Pause for commercials.]

Along with Tom Paciorek I'm John Rooney. Jerry Hairston is with us for the bottom of the sixth inning with the White Sox leading by a 3 to nothing count and Dan Pasqua about to step in.

Jerry, I want to ask you about the pinch-hitting job that you filled so well for the White Sox. It's like being a DH and you were DH several times in the line-up. But how do you get ready for just one at-bat and do it as well as you did?

Well, I think the challenge of just having that one at-bat and doing a job well, that's something I think that kept me going. When I got a few hits when I first started out when I was really pinch-hitting and people were saying nobody else can do this; so I looked at it as a challenge.

You know, Tom, I think that type of attitude really wears off on the other ball players.

I don't think there's any question about it. Jerry's a good influence on young players, even of older players as well. He prepared for that at-bat like nobody I've ever seen. Jerry would go up there into the clubhouse and make a plate out of the towels and swing from the right and left side of the plate and just visualize hitting the ball. Sometimes he'd have kids throw little socks and stuff. I tell you, every time he went up there he hit something hard.

Jerry, you're probably as disciplined a hitter as I've ever seen. Now, what did you think of when you went up there in a pinch-hitting situation.

First of all, pinch-hitting I know when I go up to bat I know the pitcher is the one that has the pressure on him, because evidently we're threatening to score or he's trying to hang on to a one-run lead or whatever, so I never felt any pressure. So I looked at him having to worry, and the mind game that I played helped a lot. And I looked for a fast ball because naturally he's trying to get ahead of me, he wants to throw a strike. So that first ball I'm looking to hit, and man it was great when he threw me that first fast ball and it was a ball.

That's what I'd like to see young hitters do a little bit more of. They seem to come into the league now and look for a pitch they probably can't hit. Now you were a dead fast ball hitter. Now they're guessing breaking balls, and might not hit the darn breaking ball. If you can't hit it why worry about it.

That's right.

You're telling me now if a company wants to lease a car they should give you a call then, right?

That's right; 424-1500.

What's that number again?

And the name of the place?

O'Connor Leasing. It's a subsidiary of Bob O'Connor Ford. We're located at 95th Street near Western.

SO COME ON DOWN.

Come on down.

September is not that far away, Jerry. Is there a chance of hooking up with somebody?

Well, there's a possibility I have heard of some rumors where I've just missed in getting on decisions, but that really doesn't get it--just missing. So maybe those teams will be interested later on, because a couple of them are uncertain at this moment, so things could turn for more in September, but I'm not really gonna put all my hope and trust in that. I'm just gonna go on with life and work every day at O'Connor.

Well, it's good to see you, Jerry. Thanks for stopping

Chicagoland Northwest Indiana Dodge Dealers, and says "Did anybody say deal?" It is apparent that the impact of this expensive 30-second commercial was blunted by the defendant's preceding it with a 7-minute 40-second unpaid commercial urging television viewers instead to patronize the baseball hero who now works as a sales agent for O'Connor Ford.

28. As a result of defendants' wrongful acts and gross violation of the Television License Agreement, on July 12, 1988 the Greater Chicago Dodge Advertising Association addressed a letter demand to plaintiff (attached hereto as Exhibit E and incorporated by reference herein) which stated:

"This is to address the concerns of the Chicagoland Northwest Indiana Dodge Dealers regarding the recent inclusion of O'Connor Ford in a Dodge sponsored broadcast.

After legal consultation, we are advised that the mention and promotion of O'Connor Ford during the July 6th White Sox broadcast was a breach of our contract with WFLD. This is the second such violation of our 1988 contract. The

3. Compensation for the devaluation of the exclusivity aspect of the contract incurred by the inclusion of Ford as well as Chrysler Plymouth. At the very least a full refund of the charges for the July 6th broadcast: \$5625.00."

29. Also on or about July 12, 1988 the president of Greater Chicago Dodge Advertising Association orally informed plaintiff's WFLD manager as follows:

There were other failures of performance. One Dodge dealer spent \$10,000 for a box and for access to the Golden parking lot. Now he finds he cannot park his car, because there are five and ten dollar bribes taken by defendants' employees to allow unauthorized persons to park in those Golden spaces.

There was a consensus at the meeting of Dodge dealers to cancel the sponsorship and their attorneys were looking at the tape. However, if they cancel we hurt WFLD and they are not the culprits.

30. On July 14, 1988 defendant Reinsdorf admitted at a meeting with plaintiff's WFLD staff that he was at fault for the Hairston special; that he took Hairston up to the booth and instructed the announcer to interview him and really pump him up.

31. On July 18, 1988 plaintiff's vice-president and general manager for WFLD caused to be served upon defendant Chicago White Sox, Ltd., attention defendants Reinsdorf and Einhorn, a "Notice and Claim for Indemnity Under Television License Agreement Dated December 26, 1985", true copy of which (together with the draft indemnity agreement demanded therein) is attached hereto as Exhibit F and incorporated by reference herein. It stated in part:

"As you know, Dodge is the exclusive domestic sponsorship of the White Sox on WFLD-TV, and no mention or drop-in promoting any other domestic auto maker may be made.

Enclosed is a copy of letter to us of July 12, 1988 from the Greater Dodge Advertising Association [Exhibit E to

this complaint], a copy of which we understand you already have.

[Plaintiff's letter then quoted Section 12.1 of the Television License Agreement regarding indemnity and added:]

It is our understanding that Mr. Reinsdorf spoke with a representative of the Dodge Dealers on July 12, 1988 and assured him that because this episode was not the fault of WFLD, he would pay the \$5,625.00 (broadcast charges for July 6, 1988), and the \$50,000 penalty refund was not an unreasonable request.

In view of similar transgressions in the past, which have jeopardized the Dodge account (see page three of Exhibit A to draft Indemnity Agreement [Exhibit D to this complaint]), we enclose a draft of Indemnity Agreement which would affirm this position and we request its early execution by you."

32. The draft Indemnity Agreement which plaintiff requested of defendant provided, among other things, as follows:

"WHEREAS, on Wednesday, July 6, 1988, Licensors-Indemnitor caused its employee announcer to interview the leasing manager of O'Connor Ford as a part of the telecast of the Chicago White Sox game over Fox Channel 32, WFLD-TV, on that date, and to promote and describe the leasing services and location of O'Connor Ford during that telecast; and

WHEREAS, said game was a Designated Game for broadcast under the terms of the Television License Agreement dated December 26, 1985, between Licensors-Indemnitor and WFLD Television, Inc. and subsequently assigned to this Broadcaster; and

WHEREAS, said Television License Agreement provides that Broadcaster has the right to telecast the Designated Games on a commercial basis for its sole account on behalf of advertisers selected by it, and further provides that all revenues derived therefrom shall be the sole property of Broadcaster; and

WHEREAS, said rights are the subject matter of that contract and the parties are obligated thereunder to cooperate in good faith to facilitate performance of the requirements of the contract, and not to destroy or impair the rights of each party to receive the fruits of the contract, and said television interview was in violation of those obligations; and

WHEREAS, the Dodge sponsorship of said Designated Games is a substantial part of the commercial revenues derived by Broadcaster under said Television License Agreement; and

WHEREAS, the Chicagoland Northwest Indiana Dodge Dealers have threatened to cancel their sponsorship contract, as more fully set forth in the letter dated July 12, 1988 of Dodge Advertising Association and its attachment...unless certain conditions are met as stated therein; and

WHEREAS, on July 12, 1988 Jerry Reinsdorf, a managing agent of Licensor-Indemnitor, met with said Dodge dealers and represented that because the fault was Licensor-Indemnitor's and not Broadcaster's, Licensor-Indemnitor would pay for the broadcast and assure against future transgressions;

NOW, THEREFORE, the parties agree as follows:

1. If Broadcaster shall agree to refund to the Dodge dealers the charges for the July 6 telecast, in the amount of \$5625, and to agree to a penalty refund of \$50,000, as demanded by the dealers, Licensor-Indemnitor will indemnify and save harmless Broadcaster from all such claims, payments, suits, damages, costs, losses, and expenses, including costs and attorneys' fees.

....
3. Licensor-Indemnitor agrees to furnish, pursuant to the demand of the Dodge dealers, a written explanation of the inclusion of O'Connor Ford within a Dodge sponsored broadcast, to the satisfaction of the Dodge dealers."

33. On July 20, 1988, defendants having failed to respond to plaintiff's notice and demand, plaintiff was pressed again by the Dodge dealers for curative action for this substantial breach. Accordingly plaintiff sustained damage of \$5625 by agreeing to make the demanded credit refund to the Dodge dealers for the July 6 telecast. Plaintiff reported this action to the Greater

Chicago Dodge Advertising Association by letter of July 20, 1988 (attached hereto as Exhibit G and incorporated by reference herein), a copy of which went to defendant Chicago White Sox, Ltd., attention defendants Reinsdorf and Einhorn, stating:

"Pursuant to the request contained in paragraph 3 of your letter of July 12, 1988, we are crediting your account in the amount of \$5625, the charges for the July 6 telecast. As you know, any mention of Ford on that telecast was the fault of Chicago White Sox, Ltd. and not of WFLD, and we have demanded of them that they indemnify us accordingly.

Following the receipt of your letter we also requested Chicago White Sox, Ltd. to furnish us with a written explanation of, and an accounting for, any mention of O'Connor Ford by or to their employee announcer during the July 6 telecast. We will respond to your letter of July 12 more fully after we receive their answer to our requests."

34. Thereafter defendants continued to fail to respond to plaintiff's notice and demand of July 18, although plaintiff repeatedly requested that they do so. On or about August 19, 1988 the representative of the Dodge Dealers demanded an answer in time for his board meeting on Monday, August 22, 1988. Accordingly, on August 19, 1988, plaintiff wrote a letter to the President of the Greater Chicago Dodge Advertising Association, with a copy to defendant Chicago White Sox, Ltd., attention defendants Reinsdorf and Einhorn. The letter (true copy of which is attached as Exhibit H and incorporated by reference herein), stated:

"You have reminded me again that--although we have given you a full refund by way of credit of \$5625 for the July 6 telecast in which the Sox announcer without our authority advertised O'Connor Ford's leasing operation--you do not as yet have a response to the other two demands in your letter of July 12.

Your letter of July 12, which went to the White Sox as well as us, demanded also (1) written explanation of the inclusion of O'Connor Ford within a Dodge sponsored

broadcast and (2) a legal, binding letter to serve as an addendum to the existing contract stating that any further breach of the contract will result in a penalty refund to the Dealer Association of \$50,000.00 while maintaining the full schedule.

On July 18 we served upon Chicago White Sox, Ltd. our written Notice and Claim for Indemnity, in which we referred to the fact that this and prior wrongful episodes were the fault of the Sox and not of WFLD and requested execution by them of an indemnity agreement covering your three requests so that we could in turn make such an agreement with you.

Our letter to you of July 20, which also went to Chicago White Sox, Ltd., informed you that we were crediting your account for \$5625, the charges for the July 6 telecast, and that because the mention of Ford was the fault of Chicago White Sox, Ltd. we have demanded of them that they indemnify WFLD and give you the written explanation you have requested.

We have not received any answer from Chicago White Sox, Ltd. to our July 18 Notice and demand, although we have made telephone requests for an answer. The last such request was by me to Mr. Reinsdorf in a long-distance telephone conversation on Friday, August 12.

As our full written explanation of the facts within our knowledge shows, we are not at fault, and we therefore cannot agree to the \$50,000 penalty provision you request unless and until we receive the indemnity agreement that we have demanded."

35. On August 24, 1988 defendant Reinsdorf delivered to plaintiff a letter (Exhibit I hereto, incorporated by reference herein), in which defendants refused to execute an agreement expressly agreeing to indemnify plaintiff as requested and stating that instead defendant Reinsdorf had made oral representations to the agent of the Dodge dealers.

36. The fact is that contrary to the representations in defendant Reinsdorf's August 24 letter, he had not spoken with the representative of the Dodge dealers on this matter since that first conversation on or about July 12, 1988, and, as set forth

hereinabove, the Dodge dealers were continuing as of August 19, 1988 to demand further relief on account of this breach of contract.

37. On September 1, 1988, the representative of the Dodge dealers gave notice to plaintiff's agent that because of these wrongful actions by defendants they would not renew their contact for sponsorship for the next year, and stated:

"Frankly, for next year, with what the White Sox have done and everything that has happened, I don't see how I could go to my board and recommend us sponsoring the White Sox for next year."

38. The Dodge dealer contract for 1988 was in the amount of \$393,000 net to plaintiff for the season. It was the largest non-beer sponsor plaintiff had obtained (the License Agreement gives defendants Reinsdorf and Einhorn the right to designate the beer sponsor). Defendants have therefore committed the following wrongful acts:

a. By defendants' successive wrongful acts and breaches going to the heart of the subject matter of the Television License Agreement defendant Chicago White Sox, Ltd. has materially breached its contract by successive and repeated wrongdoings which have damaged plaintiff financially, which threaten plaintiff with further substantial financial loss, and which have impaired plaintiff's credibility with this sponsor and with all potential sponsors as to its lack of ability to assure them the exclusive protection for their sponsorship to which they would be entitled. By reason of the materiality of these breaches, plaintiff has the right to terminate the Television License Agreement.

b. Defendants have committed tortious interference with plaintiff's contractual relations with the Dodge dealers, by causing an intentional and unjustified breach of that contract, to plaintiff's damage.

c. Defendants have committed tortious interference with plaintiff's prospective economic advantage, in that plaintiff had a reasonable expectancy of entering into a valid business relationship with the Dodge dealers for 1989; defendants had knowledge of that expectancy; there was an intentional interference by defendants and their agents which has prevented the expectancy from ripening into a valid business relationship, causing a termination of that relationship and expectancy, to the plaintiff's damage.

Defendant Chicago White Sox, Ltd.'s Breaches
of Its Implied Promise of Good Faith, Coopera-
tion, and Fair Dealing, including the Agreement
Not to Destroy or Impair the Subject Matter Upon
Which the Revenues and Promises of the Agreement
Depend

39. From December 21, 1981 to December 26, 1985, WFLD telecast White Sox games under an agreement with defendant Chicago White Sox, Ltd. (attached hereto as Exhibit J and incorporated by reference herein) whereunder WFLD was not obligated to pay any flat amount to said defendant. Instead the parties jointly agreed that defendant Chicago White Sox, Ltd. would have the exclusive right to sell for its own account up to 4-1/2 minutes to sponsors selling beer and that the parties would share equally all other net advertising revenues.

40. During 1985, the last year in which that agreement was effective, WFLD's net advertising revenues of \$2,997,278 were divided equally between the parties so that each received \$1,498,639. On a per-game basis, of the \$54,496 received per game WFLD paid \$27,248 to defendant and retained \$27,248.

41. On December 26, 1985 defendants negotiated and defendant Chicago White Sox, Ltd. entered into a Television License Agreement with WFLD Television, Inc. (Exhibit A hereto) which granted to WFLD for Designated Games the exclusive right to sell commercial times to sponsors for WFLD's sole account. In exchange, defendant Chicago White Sox, Ltd. ceased to share the risk of any diminished sponsor receipts and instead was to receive guaranteed flat amounts per year, ranging from \$4,741,235 in 1986 to \$7,912,225 in 1991. By that contract defendants shifted all risk of loss from defendants to WFLD in the event the White Sox deteriorated in terms of appeal to fans and viewers with the consequent decline of television ratings which would cause a decrease in revenues from sponsors. By that contract defendant Chicago White Sox, Ltd. and its managing agents Reinsdorf and Einhorn assumed an implied promise to act in good faith and to deal fairly in exercising their contractual discretion reasonably, by so managing the White Sox as not to destroy or impair unreasonably the team's appeal to consumers and the Broadcaster's ability to earn commercial revenues therefrom.

42. After the execution in December 1985 of the Television License Agreement guaranteeing to defendant Chicago White Sox, Ltd. a flat rate regardless of team performances and shifting to

WFLD and subsequently to plaintiff any loss in television sponsorship revenues, defendants Reinsdorf and Einhorn embarked upon and continued through 1987 and 1988 a policy of reducing defendant Chicago White Sox, Ltd.'s investment in the salaries of players to the lowest in major league baseball, ridding the team of players having star quality and fan appeal as too expensive, and substituting inexperienced players at much lower pay, thereby decreasing the quality, the audience appeal, and the public perception of the White Sox and consequent viewer ratings and sponsorship revenues from telecasts of the games, all in breach and violation of defendant Chicago White Sox, Ltd.'s implied promise of good faith, cooperation, and fair dealing. In particular:

a. Defendant Reinsdorf took charge of negotiating salaries for players of the White Sox and during 1986, 1987, and 1988 embarked upon and continued a conscious and deliberate attempt to reduce payroll to a minimum and to trade away the most expensive and able players. Thereby he caused the quality and viewer appeal of the team players to decline markedly and caused the Sox payroll to be the lowest in the major leagues.

b. In the 1986 season the White Sox were last in batting average, runs, hits, doubles, homers, and on-base percentage. Nonetheless, when the White Sox made out their winter wish list, defendants decided that bargain-basement

shopping was good enough and that they would seek no expensive top-of-the-line merchandise.

c. In 1985, at the time the Television License Agreement was executed, the White Sox player payroll was \$9,142,477. In 1987 the White Sox carried a player payroll of \$7.9 million, which ranked 20th in the majors. Thereafter by trades the Sox subtracted the salary of

low. In the previous year he was impressive, compiling a 6-3 record with a 2.94 earned run average in 1987. The arbitrator awarded a salary of \$425,000, the seventh largest salary in the ballclub. In August 1988 LaPoint became the fourth starting pitcher to be traded away by the White Sox since the end of the 1987 season, joining Floyd Bannister, Richard Dotson, and Jose DeLeon. He was traded for a pitcher with a salary of \$90,000. In March 1988 defendants Reinsdorf and Einhorn as managing agents of defendant Chicago White Sox, Ltd. stated that they were in favor of their general manager's trading away their three top starters Floyd Bannister, Richard Dotson, and Jose DeLeon, which saved them nearly \$2.5 million.

f. In May 1988 defendant Chicago White Sox, Ltd. was generating revenues of approximately \$30 million a year but benefited from having what was then the third lowest player payroll in the major leagues. The Sox were projected to pay their 25 players \$6.4 million in 1988, a skimpiness surpassed only by the Pittsburgh Pirates (\$5.9 million) and the Texas Rangers (\$6 million). The average payroll for all major league teams was \$11.2 million.

g. In August 1988 defendant traded away its sixth highest-salaried player, outfielder Gary Redus, who was hitting 263 with 6 homers and 34 RBIs and had 26 stolen bases, a third of the team's total. Redus had won his

compares with the Chicago Cubs player payroll of \$12,440,033, and with an average player payroll of 11 million dollars among all major league teams. Whereas the Chicago Cubs have fourteen players earning above \$200,000, with four being paid \$1 million or above, the White Sox have only six players making \$200,000 or above, and 5 players being paid the minimum \$62,500.

k. By their reductions in payroll, defendants reduced the average salary of White Sox players from \$374,000 at the start of the 1987 season to \$218,712 in September 1988. This compares with the average salary of \$477,291 among all major league teams on opening day 1988.

l. As a result of defendants' refusal to pay comparable salaries to players, in 1987 only 11 players remained on the White Sox team from the 1986 Opening Day roster, which a sports expert termed "an incredible turnover." In summer of 1988 the Chicago White Sox had an average age of 20 and eight players on its roster who had never before left spring training with a major league team. The team was classified by the trade journal Baseball Today as "not an interesting team to watch."

m. In July 1988 defendant's General Manager admitted that it could take five years to rebuild the decimated farm system.

n. In 1988 defendant Reinsdorf, without disclosing the

fact to the General Manager, talked with the agent of, and rejected the opportunity to negotiate for the services of, free agent Tim Raines. The White Sox players criticized management for being cheap and not pursuing Raines.

Defendant Reinsdorf stated that he respected their unhappiness with the Sox having the 20th-lowest payroll, but that he saw no need to get free agents for the team; that he was not ashamed of having a relatively low payroll; and that they would only pay for performance and would not increase the payroll in advance of the team's increase in standing.

o. During 1986 and 1987 the defendants compounded their systematic destruction of the player quality of the White Sox by combining and conspiring in restraint of trade with other major league managers, in agreeing not to compete for free agent players of quality and in exchanging price information with other major league team managers to prevent competition regarding terms of negotiations with players. Defendant Reinsdorf sent to the Detroit Tigers his correspondence with the agent for player Jack Morris, and defendants were barred by the aforesaid collusive agreement from negotiating for Montreal pitcher Tim Raines to improve the quality of the team.

p. Defendants' aforesaid combination and conspiracy is in violation of the collective bargaining agreement between the team managers and the players' union. Thereby defendants wrongfully further destroyed the quality of the

product--the Chicago White Sox team--upon which the performance and revenues of the Television License Agreement depend.

q. Defendants' systematic parsimonious reduction of player salaries to bare minimums and gutting the team of players having public appeal caused a public perception of the White Sox as a team that is not desirable to watch, including public comments by expert sportswriters in newspapers of general circulation as follows:

(i) "[The] White Sox...have sunk so far beneath the rest of the American League West you need sonar to find them. [This]...faceless team is last in the league in attendance, because it has been fishing for fans without the bait of box-office talent." (Comment by a Sun-Times sportswriter in June 1987.)

(ii) "Early returns confirm that the White Sox no longer exist, as we have suspected for some time now.

Nowhere among the 56 players listed as receiving votes for the American League All-Star team can be found one member of the Chicago franchise.

Not one.

The White Sox are too dull to be noticed.

Not one player out of 56. Excluding pitchers, that means seven full baseball teams. That's a whole division.

If public opinion were all that counted, the White Sox wouldn't be entitled to belong to the American League West, which needs them. Without the Sox, the rest of the West wouldn't have anything to stand on." (Chicago Tribune sportswriter in June 1987.)

(iii) The April 1988 appraisal of the White Sox by certain American League beat writers:

"Last it looks like they're trying to have the worst possible team and the lowest payroll. If they don't draw well, they probably won't feel guilty about leaving [Chicago]. That might not be the case, but it sure appears that way. If I was a fan, that's how it would appear to me." (Dave Shaughnessy, Boston Globe (Red Sox).)

"I picked them seventh. You can't give away all your talent and expect to win. The youth movement won't pan out any time soon. ..." (Steve Buckley, Hartford Courant (Yankees).)

"They're writing off this year. If not last, I pick them close to it. They traded away almost all of their pitchers who can pitch today." (Tom Flaherty, Milwaukee Journal (Brewers).)

"I'm picking them for seventh. They gave away all their starting pitchers and it's going to take some time for the young guys to develop." (Sheldon Ocker, Akron Beacon-Journal (Indiana).)

(iv) "It is about time Jerry and Eddie realize you don't make money without spending money." (Sun-Times sportswriter Dave Van Dyke in June 1987.)

v) "Just then, a veteran player wanders within earshot, 'Einstein,' he huffs, 'Eddie Einstein? Right.'

"Let me tell you something, kid. The only theory of relativity Eddie and Jerry Reinsdorf know about is the one that says they'd like to see every member of their families making more money than any of the players on this team.'" (Satirical comment by expert sportswriter, Sun-Times, June 1987.)

(vi) In addition, various baseball expert sportswriters have published in newspapers of general circulation in Chicago statements that the White Sox are fielding what is probably the most rag-tag collection of players in the major leagues; that the White Sox had a "nickel and dime" offense; that the "sad, invisible Sox" had allowed more runs than any other team in the league; that "the slumping White Sox have developed an all-around formula for their recent failures. They are neither hitting the ball nor

catching it. And their pitching isn't fooling anybody either"; and that

"The White Sox, simply put, have a brutal image, in need of immediate repair.

....
The team is bad, bad enough to be mistaken for a Triple-A crew, particularly on days when outfielders treat routine fly balls as grenades. Reinsdorf and partners, for causes that smell suspiciously of rampant cost-cutting, have repeatedly sanctioned trades of names and salaries for no-names and pittances."

43. By said material breaches of its obligations of good faith, cooperation, and fair dealing, defendant Chicago White Sox, Ltd. and its controlling executives defendants Reinsdorf and Einhorn have substantially destroyed or impaired public interest in watching the White Sox in person or on television and thereby have materially damaged plaintiff's ability to earn revenues

cease to be the Chicago White Sox and would leave Chicgo unless such subsidies were provided.

45. Pursuant to that plan and policy, on July 7, 1986 defendants Reinsdorf and Einhorn held a press conference to announce a proposed site in Addison, 20 miles west of Chicago. At that press conference they reported that they had previously hired the engineering firm of George A. Kennedy and Associates and they produced a letter from that firm that asserted that Comiskey Park was "near the end of its useful life." Defendant Reinsdorf also stated to the press in March 1986 that they were "worried we might have to leave"; that he had never felt this way before; that they would have to sink additional money into the structure "to make it safe"; and that "I wish they [people] could hear for themselves what we're told, that Comiskey Park is fast approaching the end of its useful life." In August 1986 defendant Reinsdorf issued a report that Comiskey Park had outlived its useful life and had not been maintained properly, allowing corrosion to weaken the foundation and pillars. Defendants Einhorn and Reinsdorf stated at the July 1986 press conference that they would need a substantial state subsidy to move the team to Addison and they warned that they would have a "back-up deal" ready with another city and would move to that city if a new stadium could not be built in Addison.

46. Although defendants made statements in 1985 about the possibility of having to leave Comiskey Park and complained of high maintenance costs, defendants did not disclose the

engineering report of lack of park safety until 1986, after defendant Chicago White Sox, Ltd. had obtained from WFLD Television, Inc. its guaranteed flat-rate Television License Agreement, effective through 1991. In 1988 it was revealed for the first time that this engineering study that concluded that Comiskey Park had "outlived its useful life" had been conducted in 1985, before the execution of the Television License Agreement, but defendants did not disclose its existence to plaintiff, to plaintiff's assignor WFLD Television, Inc., or to the public until 1986, after WFLD Television, Inc. had executed the six-year \$33,790,000 guaranteed flat-rate Television License Agreement.

47. From 1986 through 1988, for the purpose of obtaining subsidization through taxpayer funds, defendants kept up a constant barrage of threats that the team would move to other cities including St. Petersburg and would cease to be the Chicago White Sox, thereby discouraging fans, attendance, and television viewer ratings, as more fully set forth hereinafter.

48. Although defendants did not disclose the unsafe condition of Comiskey Park as their ground for moving until after they had WFLD Television, Inc. sign the guaranteed flat-rate Television License Agreement in December 1985, defendants knew in earlier years, going back to 1981 and 1982, of the unsafe conditions on which they later relied in 1986, 1987, and 1988 as the basis for their plan and policy of threats and disparagement. In particular:

a. In 1980 or 1981, defendants Reindorf and Einhorn organized defendant Chicago White Sox, Ltd. as a limited partnership for the purpose of acquiring the team. They obtained a 1981 engineering report from the engineering firm of George Kennedy and Associates that Comiskey Park was structurally sound; each invested approximately \$1 million, for a 4 to 5 percent interest; and they obtained sufficient capital from other investors to purchase the White Sox and Comiskey Park for \$19 million. All investors were required to sign an agreement that defendants Einhorn and Reinsdorf shall control all business decisions, with the power to overrule all the limited partners and to overrule the Board of Directors of Chisox Corporation, the corporation they incorporated to be the general partner of the partnership.

b. In 1988 defendant Reinsdorf in an interview disclosed that before the 1981 season defendants spent \$3.26 million to shore up major structural problems and rebuild facilities.

c. Also disclosed in the 1988 Reinsdorf interview was the fact that after the 1981 season, defendant Chicago White Sox, Ltd. spent \$1.4 million to replace the deteriorating concrete from the field level to the aisle above the first section of box seats.

d. A news report in March 1988 disclosed that in 1982 before the construction of 33 luxury skyboxes at Comiskey

"the upper deck was quietly shorn up after team officials

opener, a chunk of concrete fell from the upper deck into Section 103 of the lower stands during the second inning, hit the ramp near Row J, and broke apart. It took security until the fifth inning to close off the ramp. A second piece of concrete fell later in that game, and police moved nine fans to other seats. In 1987 repairs on crumbling concrete overhanging the right field lower deck grandstand at Comiskey Park were completed over the weekend, just in time for a Monday night exhibition game between the Chicago White Sox and the Chicago Cubs.

f. The accuracy of defendants' earlier undisclosed knowledge about the defective condition of the ballpark was confirmed in August 1988 when the Illinois Sports Facilities Authority made public a \$200,000 engineering study that "supported a controversial study issued by White Sox owner Jerry Reinsdorf two years ago that the 78-year-old ballpark had outlived its useful life". The study, by Bob D. Campbell and Co., a structural engineering firm from Kansas City, Missouri, stated that they had determined that structural steel throughout Comiskey Park has been weakened and concrete pilings and foundations have cracked. To correct this, the engineer said that the upper deck and pillars supporting it would have to be removed and a new upper deck would have to be added. During a videotape presentation on the report, the authority board members were told that "possible unsafe conditions exist in areas throughout the stadium."

g. In April 1988 defendant Reinsdorf reiterated to the press that the engineering firm of George A. Kennedy and Associates had told them that they are rapidly reaching the point at which the cost of playing in Comiskey Park will be prohibitive. He admitted in 1988 that although the 1981 Kennedy report stated that "considering the age of the structure...the stadium is in remarkably good condition," the 1981 report also warned: "However, it must be remembered that once deterioration sets in, it spreads at a rapidly increasing rate."

h. In 1988 defendant Reinsdorf disclosed that a portion of the later (1985) Kennedy report stated:

"The amount of damage observed during our last visit is excessive, considering the stadium was in 'Showcase' condition in 1983 [for the All-Star Game]. The rate at which the oldest areas of the park are deteriorating seems to be accelerating rapidly. The possibility that this amount of damage could be found every two years is not unthinkable."

49. During 1986, 1987, and 1988, defendants for the purpose of securing for themselves a tax-paid stadium and tax-supported cash subsidies, embarked upon a deliberate campaign of threats and publicity calculated to make White Sox fans and viewers and Illinois voters fearful that the team could be lost to Chicago, and thereby alienated fans and viewers so as to further destroy the commercial viability of the White Sox and of any sponsored televising of their games. Their actions were far in excess of their right under the Television License Agreement to contract